

WORLD CUSTOMS ORGANIZATION ORGANISATION MONDIALE DES DOUANES

Established in 1952 as the Customs Co-operation Council Créée en 1952 sous le n<u>om de Conseil de coopération douanière</u>

HARMONIZED SYSTEM REVIEW SUB-COMMITTEE

NR0366E1

27th Session

O. Eng.

Brussels, 5 February 2003.

POSSIBLE AMENDMENT OF THE STRUCTURED NOMENCLATURE TO HEADING 29.41 AND THE EXPLANATORY NOTES TO CHAPTER 29

(PROPOSAL BY THE MEXICAN ADMINISTRATION)
(Item III.A.13 on Agenda)

Reference documents:

NS0060E2, Annex A/12 (SSC/17 – Report) NR0293E1 (RSC/26) NR0332E3, Annex D/1 (RSC/26 – Report) NS0072E1 (SSC/18) NS0080E2, Annex A/10 (SSC/18 – Report)

I. BACKGROUND

- 1. At its 26th Session, the HS Review Sub-Committee discussed a proposal by the Mexican Administration, with a view to (i) providing for the classification of "structural analogues" in subheadings 2941.30 and 2941.40, and (ii) clarifying the scope of the terms "derivatives" and "structural analogues" in sub-Chapter XIII of Chapter 29.
- 2. Following its initial discussion, the Review Sub-Committee decided to submit the following questions to the Scientific Sub-Committee to assist the Review Sub-Committee in its further decision making process:
 - (i) Would it be beneficial to insert a reference to "structural analogues" in the subheadings of heading 29.41, and if so which;
 - (ii) If a reference to structural analogues were added to any of the subheadings of heading 29.41, could a list be drawn up with typical examples of products which would be transferred to the subheading(s) involved;
 - (iii) Should the biological activity of a structural analogue or derivative of a particular antibiotic be the same as, or similar to a certain extent, to that of the parent compound of the same subheading:

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- (iv) Should the terms "derivatives" and "structural analogues" be defined in the Explanatory Notes to sub-Chapter XIII of Chapter 29;
- (v) If so, should these definitions be introduced at the sub-Chapter level as a general definition or should they be introduced at the heading or subheading level, taking into account the characteristics of the various chemicals:
- (vi) Should the definition for derivatives be based on current descriptions or should other criteria be added.
- 3. The Scientific Sub-Committee, at its 18th Session, examined the questions put forward by the Review Sub-Committee. The observations of the Scientific Sub-Committee are set out below.

II. OBSERVATIONS OF THE SCIENTIFIC SUB-COMMITTEE

- 4. In opening the discussion, the Delegate of Mexico presented her administration's proposal to amend the wording of the subheadings of heading 29.41, together with proposals to provide for definitions of the terms "derivatives" and "structural analogues", for the purposes of that heading in the Explanatory Notes. She also indicated that the original Mexican proposal, as set out in Doc. NR0293E1 had to be modified so as to include the expression "structural analogues" in subheadings 2941.20, 2941.40 and 2941.50 only.
- 5. A number of delegates supported the idea to insert the expression "structural analogues" in certain of the subheadings of heading 29.41, whereas other delegates were of the opinion that there was no need for such an amendment. These views were apparently due to a different interpretation of the term "derivatives", which was included in the current text of the subheadings concerned. That being the case, one delegate concluded that, if a definition of the term "derivatives" was necessary for the purposes of heading 29.41, it should be inserted at the legal level, rather than at the level of the Explanatory Notes. In this context delegates were reminded of the decision taken by the Harmonized System Committee at its 29th Session (May 2002), to classify thiamphenicol and florfenicol in subheading 2941.40 as derivatives of chloramphenicol.
- 6. The Chairperson, after further discussion, concluded that there was no consensus among the delegates of the Sub-Committee on the question whether or not a reference to "structural analogues" should be inserted in the texts of the subheadings of heading 29.41. Nor was there agreement on the scope of the term "derivatives". Consequently, the Scientific Sub-Committee could not address the other questions raised by the Review Sub-Committee.
- 7. The Chairperson finally invited administrations to make proposals to define the terms "derivatives" and "structural analogues" at the legal level, on the basis of which possible amendments to the subheading texts could be considered.

III. CONCLUSION

8. The Review Sub-Committee is invited to take the observations of the Scientific Sub-Committee into consideration when examining the possible amendment of the structured nomenclature to heading 29.41 and the Explanatory Notes to Chapter 29.

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